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FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC 2897
INFO RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 5250
RUEHBJ/AMEMBASSY BEIJING 2986
RUEHKO/AMEMBASSY TOKYO 2851
RUEHIT/AMCONSUL ISTANBUL 3494
RUCNDT/USMISSION USUN NEW YORK 1017
RHMFIU/CDR USCENTCOM MACDILL AFB FL
RUEHVEN/USMISSION USOSCE 3588
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC

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SENSITIVE

SIPDIS

STATE FOR SCA/CEN, EEB

E.O. 12958: N/A

TAGS: [EFIN](#) [EINV](#) [ECON](#) [PGOV](#) [TX](#)

SUBJECT: TURKMENISTAN INTRODUCES NEW ANTI-MONEY
LAUNDERING AND COUNTER-TERRORISM FINANCING LAW

REF: 08 ASHGABAT 779

¶1. (U) Sensitive but unclassified. Not for Internet
publication.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM
FINANCING ACT

¶2. (U) on May 29, State-run Russian-language
newspaper "Neytralniy Turkmenistan" printed the full
text of the newly adopted Anti-Money Laundering and
Counter-Terrorism Financing Law of Turkmenistan.
The Law's main objectives are to prevent and uncover
activities associated with money laundering and
terrorism financing. To achieve these goals, it
provides for the establishment of a new state agency
that is authorized to collect and distribute
information, as well as to conduct analysis of
suspicious transactions and activities. The Law
states that Turkmen and foreign citizens who conduct
financial transactions and activities in
Turkmenistan are subject to the law. In addition,
the Law prohibits state agencies from engaging in
money laundering or terrorism financing. The Anti-
Money Laundering and Counter-Terrorism Financing Law
consists of five sections:

-- Section One: defines terminology used in the Law
in detail;

-- Section Two: stipulates financial measures used
in the combat against money laundering and terrorist
financing;

-- Section Three: lists the responsibilities and
functions of the state agency authorized to address
anti-money laundering; (NOTE: The Law does not
specify which of Turkmenistan's ministries or
agencies will take charge of these matters. END

NOTE)

-- Section Four: stipulates cooperation of the designated state agency with international counterparts (NOTE: This section does not list any international organizations. END NOTE); and

-- Section Five: states when enforcement of the Law will commence, and attendant responsibilities for its implementation. (NOTE: The Law will take effect three months after the official announcement of its passage, on approximately August 28, 2009. END NOTE)

¶3. (SBU) COMMENT: The Turkmen government has been aware for many months that they needed to make progress in this area. On February 25, 2009, the Financial Action Task Force (FATF) named Turkmenistan -- along with Iran, Pakistan, Uzbekistan, and Sao Tome and Principe -- as needing to address deficiencies in anti-money laundering and combating the financing of terrorism. Local representatives of the World Bank and European Bank for Reconstruction and Development have not been able to review the law fully as of yet. In general, they are pleased that the law was finally adopted, but note the need for full implementation in order for the law to be truly effective (reftel). END COMMENT.